

**UNIVERSITY OF WASHINGTON
FACULTY COUNCIL ON BENEFITS AND RETIREMENT (FCBR)**

The Faculty Council on Benefits and Retirement met in Gerberding Hall, room 36, on Friday, February 10, 2006. Boxx called the meeting to order at 1:30 p.m.

Synopsis:

- I. Announcements/approval of agenda and minutes
- II. Benefits Office update
- III. Legislative update
- IV. Supplementation discussion
- V. Other topics

Announcements/Approval of agenda and minutes

Boxx proposed Dwyer's revised draft copy of the November 18, 2006 minutes for the group's consideration. Several further changes to Dwyer's draft were suggested. Boxx proposed acceptance of the revised November 18, 2006 minutes. The vote was approved and seconded (see attachment).

Benefits Office update – Dwyer (two handouts)

Merger with Work/Life; Effective Fall, 2005, the Benefits Office changed to Benefits/WorkLife. Human Resources Benefits/WorkLife also manages the State sponsored UW annual Combined Fund Drive.

Website merger: A brief description of changes to the merged HR Benefits/WorkLife website was given. Boxx offered Council help. Dwyer responded that Spring, 2006 might be an opportune time to help with regards to establishing "a connection between (other) councils" working on similar issues, helping to reduce redundancy among councils and to align with the President's Leadership, Community and Values Initiative (LCVI) work-in-progress. Boxx continued by stating that at a recent meeting, including Council Chairs and the Provost, it was mentioned that improvements in the area of worklife issues was needed and that other Council Chairs be involved in the process. Dwyer clarified that the problem focuses on the balance of work and life issues, not the Work/Life department itself. The newly combined Benefits and WorkLife website offers easier comprehensive accessibility to a variety of benefits and worklife issues.

Leadership, Community and Values: With regards to the LCVI progress, Suffis stated that the LCVI group has been working with the Provost, who has embraced LCVI issues, to draft, survey and finalize the Provost's Vision Statement for the University. Suffis further explained that adopting the LCVI / ADVANCE model, implementing a toolkit approach, the focus will be on issues of greatest need; eg., faculty leadership development, staff career development, community building and recognition. With LCVI limited funding, and one research assistant, being resourceful and combining opportunities are inherent. An LCVI progress report will be published soon.

Update on TIAA-CREF systems issues: With regards to UWRP/VIP programs, Dwyer stated that the UW and other state higher ed institutions will, soon, be meeting with TIAA-CREF representatives to express concerns about the problems resulting from their current systems replacement project. They will also listen to proposed solutions to systems problems that TIAA-CREF incurred managing participant accounts, rollovers, etc with in the new and old systems.. The UW was not effected by TIAA-CREF's database problems. Dwyer will keep council members informed, as needed.

Wellness: The Benefits/WorkLife Office will be developing a Wellness program, in conjunction with the state Health Care Authority, and UW partners. Dwyer, who is on the state Wellness committee , says that one of the challenges is how employers can help their employees participate in a wellness program. King County has a program, which offers the lowest tiered premium to employees who participate in a screening program to identify health concerns and offer resources to assist employees in improving their health.. As a beginning in the state plans, Uniform Medical Plan (UMP) will be offering a \$30 one-time rebate to participants who meet certain criteria within their program.

Comments:

- Concerns for program privacy issues were raised.
 - Dwyer reported on some of the ways privacy issues will be addressed.
- Incentives to participate in wellness program could be offered.
- At the state level,a wide range of issues such as allowing space for exercise classes and smoking cessation programs are topics of discussion.
- What are the best practices for this issue?

Action item: As an agenda item, faculty could discuss program criteria issues and experiences with survey participation.

Legislative update – Dwyer

Boxx asked about long-term care. Dwyer spoke briefly on the Medicaid bill, noting that the Health Care Authority (HCA) has indicated their willingness, in the future, to discuss long-term care, as well as considering the idea of offering more than one product.

Issues regarding ‘Wellness’ are at the forefront of current and future discussions. Boxx stated that it was important to continue to engage in conversation with legislators, with respect to the University’s expertise on these issues. Dwyer pointed out UW employee benefits features on the new UWellness website: <http://www.washington.edu/admin/hr/benefits/wellness/> as well as acknowledging a comment made that there are more available products than what is currently available at the UW Benefits/WorkLife Office.

Dwyer gave a general overview of the Legislative climate with regards to health care issues, noting that the University’s PERS, TRS, and LEOFF plans look good over time. She spoke, briefly of the two types of pension plans, defined benefit and defined contribution (UWRP). A comment was made that the UWRP Supplemental Benefit sets a

minimum benefit. However, the benefit formula use to calculate the benefit, as defined in State law, which assumes that (one is) invested in a certain allocation (50% TIAA and 50% CREF), is obsolete.

There is a comprehensive list of retirement related bills and further retiree information, access the Department of Retirement Systems website at <http://www.dr.s.wa.gov/>

Supplementation discussion – Boxx and Dwyer (one handout)

Supplementation does not appear to be a concern this year, says Boxx. Dwyer gave an historical perspective of supplementation with respect to economic climate. UWRP is based on state law which have not altered significantly since 1973.

Boxx stated that (the council's general consensus) is supportive of the trade off of the Supplemental Benefit (prospectively), in exchange for other corrections to the language in statute around the contribution rates.. Dwyer stated that although supplementation will not be an issue this year, it will be an issue in some future year. Proactive discussion should continue on the council around all of the changes to keep the council members up to date on the pros and cons of any future changes..

With respect to the impact of the Supplemental Benefit to the University as a whole, some people have very strong opinions that it should remain a part of the plan. It cannot be taken away from current participants. However Dwyer raised some questions; eg., "...what is the overall and greater good? How do we have these conversations and how do we help people to know what their options and resources are? Where, specifically, do we (the University) need to spend our money and resources?"

Other topics

Kochin suggested setting up a Roth 403B. Boxx asked about living wills. Dwyer indicated that the evaluation phase of a new HRIS system has been approved and will proceed over the next year. Depending on results, within the next few years, we will determine next steps to replace/upgrade systems which will open up new opportunities for customer service, product options and integrated process improvements.

Meeting adjourned: 3:00 p.m.

Next meeting: March 10, 2006

Present: *Professors:* Boxx, Demorest, Gallucci, Kartsonis, Kochin, Waaland
 Ex-officio: Constantine, Henley, Wallace, Dougherty
 President's Designee: Suffis
 Guests: Dwyer

Absent: *Professors:* Breidenthal, Hess, Schroeder, Stowitschek
 Ex-officio: Gray

Minutes: G. Muller